G. R. S. IX-5]

Previous references.

File No. 40 f 1902

191

(Bau King)

Serial Nos. 1–4

Later references.

D-35

GENERAL AND REVENUE SECRETARIAT.

Serial Nos.

Part B for May 1904.

SUBJECT.

Report on the working of the Agricultural Bank at Hyderkanchalla Seringapatam Tq

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Received

W D 85—GPB—50,000—21-7-16

D.1417

XXX

22/6

12/6/03

Section B2K9
File No 40 02
Serial No 1

Received Kyathanahalli

1903 8242 A-h C.

AGRICULTURE

From M. Kantaraj
Dy Commissioner
Mysore Dt

To B Ramaswami Iyengar Esqr
Inspector of Agricultural
Banks in Mysore

Dated 9th June 1903.
Despatched 10/
Received
General No. 2655
No.

Enclosure No one file

Has the honor to forward herewith the report on the inspection of the Agricultural Bank at Kyathanahalli made by the Auditor on the 3rd may 1903, together with the undersigned review thereon. The Statistical returns relating to the last official year also accompany.

Deputy Commissioner
Mysore Dt

MS

MGCPB—50 reams.—6-12-02.

REVENUE DEPARTMENT
RECEIVED
OFFICE

No: 453 Enclosure 1 File

Submitted to the Secretary to the Government, General & Revenue Departments.

30.6.03. B Ramaswami Iyengar
Insp of Agl Banks

2.7.03

Memorandum

Review of the Deputy Commissioner on the report of inspection of the Agricultural Bank at Kyatanahalli, Sorniga patam Taluk made by the Amildar on the 3rd. May 1903.

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1. The result of inspection appears Satisfactory on the whole, but the following points mentioned in the report call for remarks.

2. The Amildar reports that the resolutions passed by the Directors are not being recorded. The rules require that the proceedings of the Directors should be recorded in a separate book (No: XVII) the omission should therefore be supplied at once.

3. As regards the auditing of the bank accounts, it is reported that the present arrangement is not Satisfactory. The Amildar will submit his proposals on this point.

4 Registers No. VIII and X have not been written up to date. The bank authorities should be required to get the registers written up soon.

As regards Mr Auldeen's suggestion for prescribing a new register (vide para 20) showing the dates on which the amounts of principal and interest are due by the several members, the Inspector of Banks will kindly favor the undersigned with his opinion -

Deputy Commissioner

Mysore Division

HS

Memo of inspection of the Kyatna Kalli Agricultural Bank in the Sermyeputtam Taluk

1. Date of present inspection. 30 March/03.

2. Whether there is a duly registered suitable Bank office where members and depositors could call and have their business attended to; and if there had been any change in the office since last inspection, why necessitated and whether duly registered. 2 Yes. No change.

3. Whether any dates and hours are fixed for transaction of business, whether business is regularly transacted at those dates and hours; if no appointment is thus made, what arrangements exist for the due transaction of business when members and depositors call; and on how many days in a month is business done. 3 No. The Bank is kept open generally every morning and afternoon for the transaction of business almost every day when members and depositors call.

4. Whether the Bank's registers, accounts, title-deeds, documents, cash balance and other property are kept in the Bank premises in the custody of the President and Agent; and if any of them are not so kept, where and how they are kept, under what authority and upon whose responsibility. 4 Yes except the cash, which is kept in the Agent's house with the permission of the President and upon the responsibility of the Agent ever since the village was evacuated owing to Plague

5. Whether the villages to which the members belong are sufficiently near (within a radius of five miles) to the Bank house, and duly registered; at what distance do the majority of members, the directors and office-bearers reside; and if business was extended to any new village, whether there was proper sanction for it.

5 Yes; at Kyathanahalli itself; no.

6. As regards members, whether and to what extent there has been any increase or decrease in their number since formation of the Bank or last inspection; what was the decrease, if any, due to; were the new members duly qualified, duly elected, and registered; in case of members belonging to a joint Hindu family or otherwise possessing a qualified or limited status, whether there is proper representation of interests involved; whether in the practical working, the Bank has gained or lost in strength, energy and usefulness since formation or last inspection.

6 There has been a decrease of 6 in the number of members owing to Plague and an increase by one; yes; the newly admitted member does not belong to a joint Hindu family, in the practical working the Bank has gained in strength & usefulness

7. As regards credit, solvency and resources of members, whether a complete and accurate list of the lands of members is maintained; if not, how is the omission explained; to what extent have fluctuations in the number of members affected the united credit of the Bank. Any notable instances of new acquisition or improvement since formation of the Bank or last inspection; any notable instances of sale or other kind of transfer, relinquishment or deterioration; how these have affected the solvency and resources of the members concerned and of the Association as a whole; what guarantee, if any, has the Bank obtained or the rules of the General Assembly afford against alienations and relinquishments prejudicial to the Bank's interests; compare the *net* amount of the value of property as per latest authenticated list with the amount of liabilities of the Bank at date of inspection.

7 yes, the fluctuation has not affected the credit of the Bank. Hence, Registration of mortgage deeds executed by the members who have obtained the loan is the guarantee against the alienations of the property. Compared - 2.125 is the (value of property) proportion to the amount of liabilities.

8. As regards Bank's funds, note whether the limit fixed at formation had been increased or decreased under due authority; whether the Bank had in its dealings unauthorizedly exceeded the limit and, if so, how is this explained or proposed to be rectified. Classify the Bank's funds at date of inspection with reference to the sources from which they were derived, *viz.*—entrance fee, contributions, loans from Government, if any, loans from others, deposits from members (1) in cash and (2) in grain, deposits from outsiders, debentures etc. Note whether the Bank's credit is well established and sustained, or steadily growing; if otherwise, to what extent such result is due to any action or omission of the Bank's authorities and what other causes are likely to have contributed to it; whether the lessons of co-operation, mutual help and thrift are understood and practised, if not, inculcate them to as large a body of members and outsiders as can be gathered.

8 Decreased owing to the repayment by annual instalments of the loan obtained from Government; no. The Bank's fund at the

date of inspection may be classified as follows.

Loans from Government 14 600 —

Deposits from members } 14143
in cash.

Surplus and Reserve } 2036 5 5
Funds

Dated 16/16 3 8

The Bank's credit is well established; the objects of Co-operation is explained to the members, who were present.

9. As regards Government loan, note whether the terms fixed for repayment are duly acted up to or there has been gross delay, dilatoriness or neglect; the amount outstanding against the Bank at date of inspection; whether the loan may be continued subject to the terms allowed for repayment or whether in your opinion it is advisable to withdraw the loan under the provisions of Sections 74 and 75 of the Articles of Association; and state reasons for such opinion briefly and concisely.

9 There was delay in repayment of the loan even at the end of the year till Dec/03; Rs. 14600; Yes. the loan may be continued.

10. As regards loans and deposits from others, note the terms allowed, generally in regard to rate of, interest and time for repayment; whether the sanction of the General Assembly had been obtained to the rates of interest and other essential terms; whether the obligations incurred were, in any way, in excess of the Bank's requirements or of what local conditions of credit, prudential considerations and the progress and well-being of the Bank justified; whether the Bank authorities are alive to the importance of placing themselves in a position to discharge the obligations incurred, punctually, completely and satisfactorily.

10 No loans or deposits from others; Yes; No; Yes.

11. As regards the Bank's transactions, compare the Cash Book with Ledgers, Receipts, Chalans, Cheques, Treasury Pass Book, Contingent and Establishment Registers, Documents etc. Is it posted up from actual transactions as they occur and in the order of their occurrence, and are entries made so clear as to be easily intelligible and traceable through the other accounts? If discrepancies and omissions due to mere oversight or ignorance are found, have them rectified in a business-like manner as far as practicable and note here such as are considered to be grave. In the case of corrections, see if they are initialled by the President and Agent, and if any of the corrections are not satisfactory, note briefly your objections.

11. Some items were compared, Yes, Yes. Corrections in the cash book are initialled by the Agent Yes.

See if disbursements were duly authorised and are supported by proper vouchers.

Yes real and necessary. Yes

Were the charges incurred under Establishment and Contingencies real or fictitious either wholly or in part, and if real, necessary? Is the rule about members rendering gratuitous service duly respected.

25th April/03, Rs 118 15 1- No No. Yes. No.

Note date of the last entry in the Cash Book, and the cash balance on that date according to the Cash Book and as forthcoming in the Bank's chest. Are instances frequent of the transgression of the limit fixed in the Articles of Association for cash balance in the hands of the Board of Directors, and how are they explained? Are large sums kept in hand for any length of time without being utilized? Is the facility afforded for keeping current account with the Treasury utilised as far as possible for minimising cash balances, if not, how is the omission explained? Has there been any complaint or ground for the belief or suspicion that needlessly large balances are retained by the Agent or President.

Statement appended, Yes.

Note the general results of the Bank's cash transactions up to date of inspection in the appended form and see if the Cash Balance Sheet last submitted by the Bank is correct in all particulars.

RECEIPTS.	Rs. a. p.	EXPENDITURE.	Rs. a. p.
From Treasury ...		To Treasury Current acct. principal repaid ...	
Depositors...		Depositors ..	
Entrance fee ...		„ Members, loan.	
Interest and penalty ...		„ Govt. on acct. of interest ...	
Loans repaid ...		Depositors,...	
Other items ..		„ Printing charges .	
		„ Establishment.	
		„ Contingencies	
		„ Other charges.	
Total		Total	

12. As regards loans to members, note if, in addition to the restrictions and limitations prescribed in Section 42 of the Articles of Association, the General Assembly has prescribed any limit with reference to the value of the landed property held by applicants for loan or offered as security by them; whether loans have been granted to any in contravention of these rules, members of joint Hindu family being taken as representing one account; how such transgressions are explained or proposed to be rectified; had any loans been granted to other than members in need or had any deserving applicants been denied to favor particular individuals, and had such instances produced feelings of distrust and discontent and impaired the cordiality and unanimity expected to exist among the body of members; are objects for which loans are applied for, explained with sufficient clearness in the darkhasts; is the application and use made of loans watched by the Board of Directors or other authority; have there been any instances of non-application or misuse, especially of sums obtained having been used by any member for purposes of trading or private banking or money lending.

Note the sums obtained and used for the several purposes indicated in the appended form.

Amount spent.	Rs.	a.	p.
1 For discharging encumbrances			
2 To discharge other debts			
3 For agricultural purposes			
(a)			
(b)			
(c)			
(d)			
4 For other purposes			
(a)			
(b)			
(c)			
(d)			

Amount obtained.	Rs.	a.	p.
1 To discharge encumbrances.			
2 To " other debts.			
3 For agricultural purposes.			
(a)			
(b)			
(c)			
(d)			

13. As regards securities obtained, note if the mortgage deeds in favor of the Bank are in proper form executed by the proper persons and duly registered; if prior mortgages in respect of property hypothecated to the Bank had been fully discharged and the mortgage deeds (duly discharged) produced in Bank together with title-deeds; in case of exceptions, when the mortgages are likely to be discharged and their amount; the proportion the loans of first class bear to the amount of property mortgaged; notable cases of undue preference, if any, with explanation; whether good and sufficient personal security was obtained in the case of the second and third class loans; whether in the case of simple debts repaid, documents discharged, receipts, &c., obtained had been produced, and in case of notable exceptions when they are expected to be produced.

Note particulars in the appended form of loans outstanding against members at date of inspection exclusive of repayments.

1st class.	2nd class.	3rd class.	4th class.	Total.	Value of property under mortgage to Bank.

12 No; in one instance the loan granted exceeds 3/4 of the value of the property mortgaged, but the market value of the property hypothecated exceeds the amount of the loan; an early recovery of this loan is promised; no, no, no; yes; yes, no..

A statement in the appended form is submitted.

13 Yes; yes except in one instance; By the end of May/03 and the amount of loan on mortgage is Rs 325; 3/4 ; the loan granted to Madhavrao on the 8th Jan-e/02 exceeds this proportion but a house at Byatnahalli has also been

14. As regards punctuality, completeness or otherwise in the payment of dues by members, Note whether the rule requiring strict punctuality is borne in mind and enforced in all practicable cases, or whether there is any unhealthy tendency to evade it; how many are defaulters (1) among office-bearers and (2) among other members; the amount of instalments overdue remaining unrecovered at date of inspection, the amount of 2nd, 3rd and 4th class loans likewise overdue remaining unrecovered; causes of unduly large arrears and large number of defaulters; whether proper notice had been taken of defaults and adequate steps taken for recovery of arrears; whether renewals were granted with prudence and discrimination; whether the interest and penalty due to the Bank had been fully recovered and whether the interest due to Government and to other creditors duly paid: arrears, if any, how explained and when expected to be paid.

Hypothecated; yes; yes.
by mandgmay/03
A statement in the appended form is submitted herewith

/4. Yes but not strictly enforced there are 4 defaulters amongst office bearers and 22 among other members; Rs. 3557-15-3 as per statement herewith submitted; the causes of non payment are failing off in the price of grain and [illegible] and prevalence of Plague yes; yes; yes; the arrears of interest to depositors which are very small in amount will be paid whenever required by them.

15. As regards surplus, Note what this amounts to up to date of inspection, taking into account the arrears remaining unrecovered of interest and other items of income; how much of this has been realized; what amount has been carried to the Reserve Fund by resolution of the General Assembly; how the Reserve Fund is invested; how the remaining surplus is used or secured; whether any and what special charges tended to reduce the surplus; and if the Bank has other assets what they are and their value.

/5 this amounts to Rs. 2805 4 8. of this Rs 2036. 5 5 have been recovered and Rs. 1624 3 3 carried to the Reserve Fund. In ordinary transaction of the Bank; none; none except two decreed and some sundry articles of furniture

4

16. As regards meetings of General Assembly, note whether the rules for convening these, the conduct of business therein and the recording and registering of resolutions are understood and duly given effect to; if not, explain the same to the office bearers and others present; note whether meetings had been held regularly every half-year; whether any and what number of extraordinary meetings had been held since last inspection; whether notices had been duly given to members; whether members were generally taking interest in the Bank affairs or whether there was party feeling; whether special resolutions had been duly confirmed and registered; whether any resolutions were inconsistent with the Articles of Association or other provisions of law.

16 yes; yes; none; yes but served only on those who were found in the village; yes no party feeling; yes; no.

17. As regards Board of Directors, note whether and how often they meet for transaction of business; whether their resolutions are duly recorded in a book; if they do not meet, what arrangements exist for the discharge of their duties and functions and what record exists of their proceedings; whether any and which of them have been taking special interest in and working with zeal for the progress of the institution.

17 As often as necessary, resolutions not recorded; Applications for loans are entered in a book which is circulated amongst directors, who return the same with their resolutions; all the directors.

18. As regards supervision, whether any and what arrangements the General Assembly had made for control and audit, are they effective and satisfactory.

18 no particular arrangements made. Accounts audited by the ~~[illegible]~~ members of panel Literature.

19. As regards registers and accounts, see appended list, note therein which of them is kept and how.

19. All are kept up to date except the following

I. Register of members
II. " of applications for loan
III. Cash book
IV. Ledger
V. Minute book
VI. Register of balance sheets
VII. Property register
VIII Register of monthly cash abstracts
IX. Register of bonds
X Receipts by Bank
XI. Depositors' ledger
XII. Treasury pass book
XIII. Chalan book
XIV. Cheque book
XV. Receipts by members to Bank
XVI. Register of Directors
XVII. Register of Directors' Proceedings
XVIII. Register of appropriation of loans
XIX. " of contingent expenses
XX. " of disbursement of pay to establishment
XXI. " of From letters
XXII. " of To letters
XXIII. Visitors' book

VIII Kept in loose sheets and not written up for March/03

X not issued since Septr/02

XIX and XX are kept together

20. General remarks regarding the state of the Bank.

20 The Bank possesses good security in the shape of valuable landed property. The accounts require to be audited by efficient and experienced persons. A register showing the date on which the amount of principal and interest on different items of loan are by different members required to be maintained in the Bank and recoveries noted therein as each transaction takes place as it will furnish information regarding the kists over due & when ever required

Secretary's Office
5th May 03

K Sankunni Nair
Asst Secy

Statement showing the loans outstandings against the members of the Kyatanahalli Bank. ೨೯ ಸೈ ೬೯ ಕಾರ್ಯಸೂಚಿ

Col. 13.

I	ಸೀ ಕರಕಡಿ ಪಾಲು ಶೃತಿ ನಾಲ್ಕು ಆಣೆ ರಕ್ಕೆಯಲ್ಲಿ ಚಾಲಾ ಬಾಕಿ ಪಾವತಿ ರಕ್ಕೆಯಲ್ಲಿ	13589	2	11
II	" " "	3002	0	9
III	" " "	0	.	.
IV	" " "	125	0	0
	ಪಟ್ಟಿಯಲ್ಲಿ ರಾಜಾ ರಕ್ಕೆ ಪೈಕಿ ಕಳಿಸಿದೆ			
	28890—0—0			
		16716	3	8

5 5—03

Khanate

Mulbar

Khajaramhalli agricultural Bank.

ಒಕ್ಕಲಿಗರ ಸಹಕಾರಿ ಸಂಘಗಳ 1903ನೇ ಸಾಲಿನ ಲೆಕ್ಕಪತ್ರಗಳ ನಿರೂಪಕರು

Col 14.

ತಾಲೂಕಿನ ಹೆಸರು	ಸಂಘಗಳ ಸಂಖ್ಯೆ	ವಸೂಲಾಗಬೇಕಾದ ಸಾಲ				ಸಾಲಗಳ ಮೊತ್ತ ರೂ	ವಸೂಲಿ	ಶೇಕಡಾ
		I ನೇ ವರ್ಷದ ಸಾಲ	II ನೇ ವರ್ಷದ ಸಾಲ	III ನೇ ವರ್ಷದ ಸಾಲ	IV ನೇ ವರ್ಷದ ಸಾಲ			
ಕೆ.ಆರ್.ಪೇಟೆ ತಾಲೂಕು	4	437-10-1	249-5-3	—	—	44-1-4	731-0-8	ಶೇಕಡಾ 3
ಮದ್ದೂರು ತಾಲೂಕು	22	1250-11-6	1337-11-6	0	60-00	178-7-7	2826-16-7	ಶೇಕಡಾ 35
	26	1688-5-7	1587-0-9	0	60-00	222-8-11	3557-1-3	

5 5 03 Karnataka

Statement shewing the Cash transaction in the Kyatanahalli Band

Cl. 11.

ಜಮಾ				ಖರ್ಚು			
ಪ್ರಾರಂಭದಲ್ಲಿ	22150	0	0	ಕಾಲುಬೆಳೆಗಳಲ್ಲಿ ಖರ್ಚು	7550	0	0
ಮಳೆಯ ತೀರುವಳಿ	180	14	3	ಮಳೆಯ ತೀರುವಳಿಯಲ್ಲಿ ಖರ್ಚು	101	0	0
ತೆಗೆದದ್ದು	27	4	0	ಪೈರಾದಲ್ಲಿ ಖರ್ಚು	89249	9	0
ಬಡ್ಡಿ ಸಾಲದ ಕಿಸ್ತಿಲು	8794	8	2	ಪೈರಾಯಿತಿ ಗಡಿಸೇದಲ್ಲಿ	5228	9	6
ಕಾಲುಬೆಳೆಯಲ್ಲಿ ಗಂ ದಲ್ಲಿ	72533	5	4	ಮಳೆಯ ದಂತಿ ಗಡಿಸೇದಲ್ಲಿ	2	5	5
ಚಲ್ಲ ದೇವಸ್ಥಾನದವುಗಳಲ್ಲಿ	17	9	4	ತೀರಿದ ಲೆಕ್ಕ ಬಾಕಿ	16	9	0
				ಸಾಗಾಣಿಕೆಯಲ್ಲಿ	1187	12	0
				ಕಂದಾಯದಲ್ಲಿ ಖರ್ಚಾದ್ದು	247	13	1
	103703	9	1		103584	10	0

5 · 5 03

Kshetrika

Amildar

Col. 12.

1		37075	0	0	1	37075	0	0
2		24674	6	0	2	24674	6	0
3		27500	3	0	3	27500	3	0
	A	25610-3-0			A	25610-3-		
	B	1890--			B	1890--		
		89249	9	0		89249	9	0

5 5 03

Kadambi & Co

Indian

Mysore Govt., Gen. & Rev. Secretariat

Branch

File No. (if any) and its date—

Two Drfts for approval

Office Draft.

Progs. of the Govt. of H. H. the Maharaja of Mysore.

Read:

Letter No 453 & 30.6.03 from the Inspector of Agricultural Banks, submitting the report on inspection by Sri K. Srikantaiah, Amildar Seringapatam Taluk, of the Agricultural Bank at Kyatanhalli, received with letter No 2655 & 7.6.03 from the Deputy Commissioner, Mysore Distt.

Order: MC

Recorded with the following observations.

1. The bank should be directed to pay early attention to the irregularities noticed by the Inspecting Officer in his report to the Deputy Commissioner in his proceedings.

2. Madegowda, a member is reported to have been granted loan exceeding 3/4 the value of property mortgaged by him to the bank. The Deputy Commissioner is requested to see that the early recovery of the loan as promised by the bank before the inspecting officer

3. The bank should be directed to report whether the debt of Rs 325 under mortgage has since been discharged as promised at the time of inspection.

4. Four of the office-bearers and 22 members are reported to be defaulters and the arrears ~~to be collected to~~ due by them amount to Rs 3558. The bank should be directed to enforce punctuality strictly ~~and~~ the arrears being received at once.

2 The few defects & irregularities noticed by the Inspecting Officer should be rectified at an early date.

Secretary

13/8/03

Sub²
Rk. 8/8/03

Do

The Dy Commissioner,
Tuticorin District

18/8/03

Dy Commr
18/7/03

Compd
19/8/03

K-1322
1904

MYSORE GOVERNMENT
1 2 FEB 1904
GENERAL & REVENUE SECRETARIAT

From B K Ramanarada Rao Esq.
Deputy Commissioner
of the Mysore Division

To
L. Anantasami Rau Esq BA
Secretary to the Govt. Mysore
General & Rev. Departments

BKR
40 — 12
3

Dated 10th February 1904
Despatched

Received

General No. 434
No.

Enclosure No 7

Subscribing the report on the inspection of the Agricultural Bank at Kyathanakalli in the Seringapatam Taluk made by the Sub Division Officer of Seven Roads—

12/2/04

References please

D
13/2/04

Reference list

23/2

MGCPB—50 reams.—6 12-02

Deputy Commissioner's Office
Cuddapah District
Dated the 10th February 1904.

No. 434
Ex 107

To

L. Anantasami Rao Esquire B.A.
Secretary to the Government
of His Highness The Maharaja
of Cochin in the General and
Revenue departments.

Sir,

I have the honor to submit herewith the report on the inspection of the agricultural Bank at Kyatha-nahalli in the Sirumgapalam Taluk, made by the Sub-Division Officer of French-Rocks on the 10th January 1904, together with statistical returns for the year 1902-1903.

2. In Government Order No. R.s. 66 dated the 20th August 1903, it was pointed out that 4 of the office-bearers and 22 members were defaulters. The present inspection report discloses that their number has increased,

the

the defaulters among office-bearers being now 6 and 24 among members. The amount of overdue instalments has, however, been considerably reduced.

I have the honor to be,
Sir,
Your most obedient ser-
vant

[signature]
Deputy Commissioner of
the Cheyore District

No 4 Sb. Encl.
20.1.04
30

Report on the inspection of the Agricultural Bank at Myadanahe.

Exhibit A
Encl 6
2.2.1904

Reg No 269 2.2.04

10th January 1904

1. Date of present inspection.
2.2.1904
M H.a

2. (a) Whether there is a duly registered suitable Bank office where members and depositors could call and have their business attended to (b) and if there had been any change in the office since last inspection, why necessitated and whether duly registered.

2. (a) Yes; (b) no change since last inspection.

3. (a) Whether any dates and hours are fixed for transaction of business, whether business is regularly transacted at those dates and hours, (b) if no appointment is thus made, what arrangements exist for the due transaction of business when members and depositors call (c) and on how many days in a month is business done.

3. (a) Dates and hours are not fixed for the transaction of business; (b) business is transacted every day from 5 to 9 P.M; (c) From the examination of the accounts it is found that since last inspection business was done on

7 days in June. 03
10 " July "
5 " August "
12 " September "
7 " October "
5 " November
6 " December.

4. (a) Whether the Bank's registers, accounts, title deeds, documents, cash balance and other property are kept in the Bank premises in the custody of the President and Agent (b) and if any of them are not so kept, where, and how they are kept, under what authority and upon whose responsibility.

4. (a) Yes; they are in the custody of the President and the agent

5. (a) Yes; (b) the majority of members and office bearers are residents of Kyatam & Walli; (C) No extension of business to any new village.

5(a) Whether the villages to which the members belong are sufficiently near (within a radius of five miles) to the Bank house, and duly registered (b) at what distance do the majority of members, the directors and office-bearers reside; and (c) if business was extended to any new village, whether there was proper sanction for it.

6. (a). The original number was 69; that on the date of last inspection 63 and the present number is 64. Since last inspection there was a decrease of 1 and increase of 2 members; (b) the decrease was due to the death of a member who had not been granted anglo-an and whose heir was not willing to become a member of the Bank; (C) the new members are duly qualified, elected and registered. (d) In 8 cases of members of a joint Hindu family proper representations of interests involved are

6(a) As regards members, whether and to what extent there has been any increase or decrease in their number since formation of the Bank or last inspection (b) what was the decrease, if any, due to (c) were the new members duly qualified, duly elected, and registered (d) in case of members belonging to a joint Hindu family or otherwise possessing a qualified or limited status, whether there is proper representation of interests involved (e) whether in the practical working, the Bank has gained or lost in strength, energy and usefulness since formation or last inspection.

are not made. It is explained that these are the names of members of the families and in cases in which loans have been granted to such members there are shares have become assenting parties, advertising the documents executed by those members to the Bank. (c) Since the last inspection the bank has neither gained nor lost in strength &c.

7(a) As regards credit, solvency and resources of members, whether a complete and accurate list of the lands of members is maintained (b) if not, how is the omission explained (c) to what extent have fluctuations in the number of members affected the united credit of the Bank (d) Any notable instances of new acquisition or improvement since formation of the Bank or last inspection (e) any notable instances of sale or other kind of transfer, relinquishment or deterioration (f) how these have affected the solvency and resources of the members concerned and of the Association as a whole (g) what guarantee, if any, has the Bank obtained or the rules of the General Assembly afford against alienations and relinquishments prejudicial to the Bank's interests; compare the *net* amount of the value of property as per. latest authenticated list with the amount of liabilities of the Bank at date of inspection.

7. (a) Yes; but not complete and accurate, the register has been written up on information furnished by the members the original list of property in respect of the first 19 members not having yet been received yet from the Inspector

B

As regards the remaining 45 members the details of property have been embodied in the Register as per information furnished by them; (b) it is explained that the valuation of the properties has been carefully made by the Bank authorities who have now been instructed to furnish a complete list of property of every member for being verified and certified by the Amildar; (c) the credit of the Bank has not been affected, as there has been no noticeable fluctuation in the number of members; (d) no such instances of new acquisition or improvement since last inspection

(e and f)

7(e and f) no case of transf-
fe, (g) local enquiries are
made by the Bank to find
out if there are any alie-
-nations. It is reported
that there has been none.
No rules framed by the
assembly in this respect.
(h) Net value of the property
as per lists available is
Rs 1, 17, 755 and the amount
of the Banks liability is
Rs 150 46-1-11.

8.(a) Limit was neither in-
creased nor decreased;
(b) the limit was not exce
ed; (c) Bank's funds as it
stood on the 31st December
1903 are classified as below

(1) Entrance fee ... Rs. A. P.
27. 4-0

(2) Loan from Govern-ment. } 1200 - 0 - 0

(3) Deposit from mem-bers. } 151 - 14 - 3

(4) Reserve fund ... 2166 - 15 - 8

1504 6. - 1 - 11

(d and e) the Banks credit is
well established and is steadi
-ly growing; (f) the lesson

8.(a) As regards Bank's funds, note whether the limit fixed at formation had been increased or decreased under due authority (b) whether the Bank had in its dealings unauthorizedly exceeded the limit and if so, how is this explained or proposed to be rectified.
(c) Classify the Bank's funds at date of inspection with reference to the sources from which they were derived, viz.—entrance fee, contributions, loans from Government, if any, loans from others, deposits from members (1) in cash and (2) in grain, deposits from outsiders, debentures etc. (d) Note whether the Bank's credit is well established and sustained, or steadily growing (e) if otherwise, to what extent such result is due to any action or omission of the Bank's authorities and what other causes are likely to have contributed to it, whether the lessons of co-operation, mutual help and thrift are understood and practised, if not, inculcate them to as large a body of members and outsiders as can be gathered.

8 (f) the lesson of Co opera-
tion understood and
practised.

9. (a). There was some delay
in acting up to the terms
from June 02 which is re-
ported to be due to the
prevalence of plague; (b)
the amount outstanding
against the bank this
day is Rs 12700-0-0; (c)
the loan may be continued
subject to the terms allow-
ed for repayment as
the Bank is in good condi-
tion -

9(a) As regards Government loan, note whether the terms fixed for repayment are duly acted up to or there has been gross delay, dilatoriness or neglect (b) the amount outstanding against the Bank at the date of inspection (c) whether the loan may be continued subject to the terms allowed for repayment or whether in your opinion it is advisable to withdraw the loan under the provisions of Sections 74 and 75 of the Articles of Association (d) and state reasons for such opinion briefly and concisely.

Sub-

Loan Sanctioned - 19000

Instalments due - 1000 on 99 02
1500 - 00-01
1500 - 01-02
1500 - 02-03
5500

Instalments actually paid Rs 6302

10. (a) No loans from out-
siders have been incur-
red except deposits
repayable whenever
desired. Interest is paid
at 4 Rs per cent per annum
on such deposits; (b) Sanc-
tion of the general
assembly

10. (a) As regards loans and deposits from others, note the terms allowed, generally in regard to rate of, interest and time for repayment (b) whether the sanction of the General Assembly had been obtained to the rates of interest and other essential terms (c) whether the obligations incurred were, in any way, in excess of the Bank's requirements or of what local conditions of credit, prudential considerations and the progress and well-being of the Bank justified (d) whether the Bank authorities are alive to the importance of placing themselves in a position to discharge the obligations incurred, punctually, completely and satisfactorily.

assembly has been obtained to the rate of the interest and the terms; (c) the obligations incurred are not of an objectionable nature. (d) the Bank authorities are alive to the importance of discharging their obligations.

(a) As regards the Bank's transactions, compare the Cash Book with Ledgers, Receipts, Chalans, Cheques, Treasury Pass Book, Contingent and Establishment Registers, Documents etc. (b) Is it posted up from actual transactions as they occur and in the order of their occurrence, and are entries made so clear as to be easily intelligible and traceable through the other accounts? (c) If discrepancies and omissions due to mere oversight or ignorance are found, have them rectified in a business-like manner as far as practicable and note here such as are considered to be grave. (d) In the case of corrections, see if they are initialled by the President and Agent, and if any of the corrections are not satisfactory, note briefly your objections.

(e) See if disbursements were duly authorised and are supported by proper vouchers.

(f) Were the charges incurred under Establishment and Contingencies real or fictitious either wholly or in part, and if real, necessary? Is the rule about members rendering gratuitous service duly respected.

11. (a) Compared - (b) duly posted up, the entries are intelligible and traceable through other accounts - (c) no discrepancies or omissions were observed - (d) No corrections.

(e) The disbursements are duly authorized and appointed by vouchers.

(f) The Charges realised

under establishment and contingencies appear to be real and necessary. (g) the rule about members rendering gratuitous service is duly respected.

(h) The date of last entry in the Cash book is 7th January and the Cash balance on that date was Rs 140-6-8; (i) there is no such instance of transgression; (j) large sums are not kept without being utilized; (k) this facility is utilized; (l) there are no such complaints or reasons for suspicion; (m) General results of the Bank's transaction are noted in the margin.

11 (h) Note date of the last entry in the Cash Book, and the cash balance on that date according to the Cash Book and as forthcoming in the Bank's chest. (i) Are instances frequent of the transgression of the limit fixed in the Articles of Association for cash balance in the hands of the Board of Directors, and how are they explained? (j) Are large sums kept in hand for any length of time without being utilized? (k) Is the facility afforded for keeping current account with the Treasury utilised as far as possible for minimising cash balances, if not, how is the omission explained? (l) Has there been any complaint or ground for the belief or suspicion that needlessly large balances are retained by the Agent or President.

(m) Note the general results of the Bank's cash transactions up to date of inspection in the appended form and see if the Cash Balance Sheet last submitted by the Bank is correct in all particulars.

RECEIPTS.	Rs. a. p.	EXPENDITURE.	Rs. a. p.
From Treasury	2200-0-0	To Treasury	
„ Depositors	741-14-3	Current acct. principal repaid	9700-0-0
Entrance fee	27-4-0	Depositors	590-0-0
Interest and penalty	219-4-2 / 37-2-13-1	„ Members, loan	3358-1-0
Loans repaid	78371-10-6	„ Govt. on acct. of interest	5791-6-6
Other items	17-14-0	Depositors	8-7-0
		„ Printing charges	17-15-0
		„ Establishment	1329-12-0
		„ Contingencies	295-7-1
		„ Other charges.	
Total	111 50-12-0	Total	111691-0-7

12. (a) As regards loans to members, note if, in addition to the restrictions and limitations prescribed in Section 42 of the Articles of Association, the General Assembly has prescribed any limit with reference to the value of the landed property held by applicants for loan or offered as security by them; (b) whether loans have been granted to any in contravention of these rules, members of joint Hindu family being taken as representing one account; (c) how such transgressions are explained or proposed to be rectified; (d) had any loans been granted to other than members in need or had any deserving applicants been denied to favor particular individuals, and had such instances produced feelings of distrust and discontent and impaired the cordiality and unanimity expected to exist among the body of members; (e) are objects for which loans are applied for, explained with sufficient clearness in the darkhasts; (f) is the application and use made of loans watched by the Board of Directors or other authority; (g) have there been any instances of non-application or misuse, especially of sums obtained having been used by any member for purposes of trading or private banking or money lending.

(h) Note the sums obtained and used for the several purposes indicated in the appended form.

Amount obtained.	Rs.	a.	p.	Amount spent.	Rs.	a.	p.
1 To discharge encumbrances.	39553	-	-	1 For discharging encumbrances	39553	-	-
2 To " other debts.	25753	12	-	2 To discharge other debts	25753	12	-
3 For agricultural purposes (a) (b) (c) (d)	28051	5	-	3 For agricultural purposes (a) (b) (c) (d)	28051	5	-
				4 For other purposes (a) (b) (c) (d)			
Total	93358	1	-	Total	93358	1	-

13. (a) As regards securities obtained, note if the mortgage deeds in favor of the Bank are in proper form executed by the proper persons and duly registered; if prior mortgages in respect of property hypothecated to the Bank had been fully discharged and the mortgage deeds (duly discharged) produced in Bank together with title-deeds; in case of exceptions, when the mortgages are likely to be discharged and their amount; (c) the proportion the loans of first class bear to the amount of property mortgaged; (d) notable cases of undue preference, if any, with explanation; (e) whether good and sufficient personal security was obtained in the case of the second and third class loans; (f) whether in the case of simple debts repaid, documents discharged, receipts, &c., obtained had been produced, and in case of notable exceptions when they are expected to be produced.

12. (a) No additional limit prescribed by the general Assembly; (b) no loans granted in contravention of the rules; (d) no loans granted to Mes than members - no partiality in granting loans is apparent and there is no feeling of distrust or want of cordiality among members; (e) the objects for which loans are wanted are explained in the Darkhasts; (f) yes; (g) no such instances; (h) statement appended.

13. (a) yes; (b) yes, no exception; (c) the proportion the loans of 1st class bear to the amount of property mortgaged is

as 1 to 2·3; (d) no notable case of undue preference (e) good and sufficient security obtained in the case of 2nd and 3rd class loans; (f) yes - no exception; (g) particulars noted in the margin

13 (g) Note particulars in the appended form of loans outstanding against members at date of inspection exclusive of repayments.

1st class.	2nd class.	3rd class.	4th class.	Total.	Value of property under mortgage to Bank.
12,238-10-8	257-3-10	145-0-0	175-8-0	4986-6-6	28 248-0

14. (a) Strict punctuality is not observed; No unhealthy tendency to evade the rule but inability of the defaulting members due to prevalence of plague

14(a) As regards punctuality, completeness or otherwise in the payment of dues by members. Note whether the rule requiring strict punctuality is borne in mind and enforced in all practicable cases, or whether there is any unhealthy tendency to evade it; how many are defaulters (1) among office-bearers and (2) among other members; (b) the amount of instalments overdue remaining unrecovered at date of inspection, the amount of 2nd, 3rd and 4th class loans likewise overdue remaining unrecovered; (c) causes of unduly large arrears and large number of defaulters; (d) whether proper notice had been taken of defaults and adequate steps taken for recovery of arrears; (e) whether renewals were granted with prudence and discrimination; (f) whether the interest and penalty due to the Bank had been fully recovered and whether the interest due to Government and to other creditors duly paid; (g) arrears, if any, how explained and when expected to be paid.

(b) Defaulters are 6 among office bearers 124 among members; (c) The amount of instalments overdue and outstanding is Rs 1115-5-4. The amount of 2nd class loan

1115-5-4 I
1212-3-10 II
125-8-0
2453-1-2

loan is Rs 1212-3-10

The amount of 4 loans

loan is Rs 125-8-a.(d)

Causes of Crime labour

(e) Steps have been taken

for the recovery of the

arrears, (f) Renewals

granted with prudence

and discrimination

(g) Interest and penalty

are still not fully recovered ×

The interest due to Govern-

-ment has been fully

paid. Rs 2-5-11. are still

due to other creditors

which will be paid on

demand.

15. (a) The amount of surp-

-lus on 31st December

1903 is Rs 3377-a-10;

(b) of this Rs 2194-3-8

have been realized;

(C)

× Rs 548-a-11

15. (a) As regards surplus, Note what this amounts to up to date of inspection, taking into account the arrears remaining unrecovered of interest and other items of income; (b) how much of this has been realized; (c) what amount has been carried to the Reserve Fund by resolution of the General Assembly; (d) how the Reserve Fund is invested; (e) how the remaining surplus is used or secured; (f) whether any and what special charges tended to reduce the surplus; (g) and if the Bank has other assets what they are and their value.

(c) ~~Rs~~ 2194-3-8 have been carried ——. to the Reserve fund by Resolution of the general assembly; (d and e) The Reserve fund is utilized in current dealings of the Bank;-(f) the Surplus was not increased by any Special Charges; (g) The assets which the Bank has are articles of furniture worth Rs 100.

16. (a and b). The rules are understood and are given effect to; (c) Meetings are held regularly every half year; (d) no extraordi nary meeting held.

Since

16(a) As regards meetings of General Assembly, note whether the rules for convening these, the conduct of business therein and the recording and registering of resolutions are understood and duly given effect to (b) if not, explain the same to the office bearers and others present; (c) note whether meetings had been held regularly every half-year (d) whether any and what number of extraordinary meetings had been held since last inspection (e) whether notices had been duly given to members (f) whether members were generally taking interest in the Bank affairs or whether there was party feeling (g) whether special resolutions had been duly confirmed and registered (h) whether any resolutions were inconsistent with the Articles of Association or other provisions of law.

4/-

since last re-election;
(e) notices duly given
to members (f) members
gradually taken interest
(g) Special resolution
duly confirmed and
registered; (h). They are
not inconsistent with
the articles of association.

17(a) As regards Board of Directors, note whether and how often they meet for transaction of business; (b) whether their resolutions are duly recorded in a book; if they do not meet, what arrangements exist for the discharge of their duties and functions and what record exists of their proceedings (c) whether any and which of them have been taking special interest in and working with zeal for the progress of the institution.

17. (a) They meet whenever
they have business to
transact; (b) Resolutions
are duly recorded in
a book; (c) They generally
take interest, the most
prominent among them
being Mr. Narasimha
Hirebettu chetty, the
agent.

18. As regards supervision, whether any and what arrangements the General Assembly had made for control and audit, are they effective and satisfactory.

18. The General assembly
have appointed 3
auditors who check and
audit

audit accounts. This arrangement appears to answer the purpose.

19. As regards registers and accounts, see appended list, note therein which of them is kept and how.

19. All except No. XVIII are maintained and are neatly kept.

I.	Register of members	
II.	,,	of applications for loan
III.	Cash book	
IV.	Ledger	
V.	Minute book	
VI.	Register of balance sheets	
VII.	Property register	
VIII	Register of monthly cash abstracts	
IX.	Register of bonds	
X	Receipts by Bank	
XI.	Depositors' ledger	
XII.	Treasury pass book	
XIII.	Chalan book	
XIV.	Cheque book	
XV.	Receipts by members to Bank	
XVI.	Register of Directors	
XVII.	Register of Directors' Proceedings	
XVIII.	Register of appropriation of loans	
XIX.	,,	of contingent expenses
XX.	,,	of disbursement of pay to establishment
XXI.	,,	of From letters
XXII.	,,	of To letters
XXIII.	Visitors' book	

20. General remarks regarding the state of the Bank.

20. Nil —

K Dharmaraja
Sub. Divl. Officer
Tenali
Mr

Mysore Govt. Gen. & Rev. Secretariat,
Revenue Branch.

File No. (if any) and its date—

Section Dig. — 02
Leo. — 4 —

Submitted to the Dewan through the 2nd Sec. 14/5/04

Read on 16.5.1504
Submitted to the Dewan Sahib for approval
16.5.1504

17/5
17.5.04.

18835
23.5.04

24/5/1504

8/6/1504

Office Draft.

Progs. of the Govt. of H. H. the Maharaja of Mysore.

Read: Report on the Inspection made by the Superintendent of the Agricultural Bank at Kyatanahally, Lingapatam Taluk, preceded with letter No. 434 dated the 10th February 1904 from the Director of Commerce & Industries.

Order: No. R3657 dt. 30/5/04
R.F. 114-1895

Records the following observations:

1) Although the bank has been in existence for more than 8 years no deposits from outsiders have been received and those lodged by the members amount only to a small sum of Rs 151-14-3. Strenuous efforts on the part of the members to improve matters in this respect are necessary.

2/ The accounts of
No 2453-1-2 outstanding. Vide para 14 of this report
against 6 officers
and 24 other members
of the Mess date of inspection
indicate that they
are settling ahead
Example. The account-
should be received
at once

Redraft
11
10/5/04

11 26/5/04

11 24/5/22

4 Sets

L
Mess Accounts Inspector

Camp 28-5-04